

**Congress of the United States**  
**Washington, DC 20515**

December 11, 2009

The Honorable Nancy Pelosi  
Speaker of the House of Representatives  
H-232, U.S. Capitol  
Washington, DC 20515

The Honorable Steny Hoyer  
Majority Leader, House of Representatives  
H-107, U.S. Capitol  
Washington, DC 20515

Dear Speaker Pelosi and Majority Leader Hoyer,

As the members of the Congressional Sustainable Energy and Environment Coalition (SEEC), we thank you for your leadership and determination towards achieving a meaningful and inclusive American economic recovery. We write you to offer our priority proposals as you undertake consideration of policies aimed at domestic job creation.

By working from the success of the American Recovery and Reinvestment Act (ARRA) that was signed into law by President Obama in February, 2009 – which has saved or created hundreds of thousands of American jobs – we feel that we can put Americans back to work quickly and provide for sustained, comprehensive economic growth.

Our Coalition feels that with targeted investments and incentives for energy efficiency we can create jobs quickly while lowering energy costs across the country. As well, SEEC urges investments and incentives for renewable energy in order to create jobs and grow the domestic clean energy industry that promises to dominate the global economy of our new century. Further, SEEC proposes investments in the health of American infrastructure, natural resources, and water efficiency, through which we can put people back to work rebuilding American prosperity. Finally, SEEC urges the adoption and funding of worker training programs to allow Americans better access to new careers and opportunities.

With a desire to avoid contributing significantly to the federal deficit, SEEC urges these proposals be given consideration as you develop policies to put America back to work and bring a substantive economic recovery to “Main Street.”

Energy Efficiency

- 1) **Create a national energy efficiency home retrofit program** that will quickly create jobs retrofitting millions of homes and saving homeowners money on their energy costs.
- 2) **Incentivize and facilitate retrofits for federally-assisted housing** to create retrofitting jobs, reduce energy waste, and save taxpayer dollars on energy and water costs.
  - Establish a “green dividend” program to better incentivize retrofits.
  - Refashion and extend the existing H.U.D. Weatherization Program.
- 3) **Property-assessed clean energy bonds:** Amend the DOE’s Indirect Loan Guarantee Program so that these guarantees can be used to back municipalities or other entities that provide financing for residential and commercial energy efficiency and clean energy improvements.

- 4) **Expand and create tax incentives for non-residential energy efficiency improvements** to increase investments in building retrofits, create jobs, and lower energy bills across the country.
- **Expand the existing Efficient Commercial Building Tax Deduction.**
  - **Create a non-residential mechanical insulation installation tax incentive.**

#### Renewable Energy

- 5) **Reinstate \$2 billion taken from the Dept. of Energy Innovative Energy Loan Guarantee Program** and speed the awarding of these loan guarantees to qualified applicants.
- 6) **Establish a Clean Energy Deployment Administration** to provide innovative American clean energy businesses with the capital and certainty that they need to jump-start a new and independent American clean energy economy and spur enormous job creation.
- 7) **Continuing successful Dept. of Energy ARRA programs** for domestic clean energy innovation and manufacturing will provide a greater number of highly qualified applicants with access to needed funding.
- **Section 48(C) ITC the 'Advanced Energy Manufacturing Tax Credit'**
  - **ARPA-E**
  - **Advanced Battery Manufacturing Grants**
  - **Transport Electrification**
  - **Industrial Efficiency/Combined Heat and Power**
- 8) **Extend, expand, and create tax credits and incentives for renewable energy** to spur job creation and grow the domestic industry.
- **Two-year extension of Treasury Grant Investment Tax Credit Program** (grants in lieu of tax credits).
  - **Expansion of Section 48(a)(3) to include manufacturing of qualified solar property.**
  - **Create a capital gains tax incentive for investment in domestic clean energy companies.**
  - **One year extension of IRC Sec. 179, Accelerated Depreciation for clean energy capital improvements.**
- 9) **Increase the limit of federal power purchase agreements to twenty five years** to allow for new energy technologies (and their accompanying domestic job-creation) to compete with dirty, outdated energy sources, and save taxpayer money with more cost-effective federal energy investments.

#### Transportation Infrastructure

- 10) **Allow authorization for the use of a larger portion of transportation funds for operating costs:** Transit systems across the country have been forced to cut services (and jobs) due to revenue shortages, at the same time ridership numbers are at record highs.
- 11) **Increase funding for public transit, and multi-modal TIGER and TIGGER programs** to quickly create jobs and efficiently fund projects that support economic development, reduce energy consumption, and build livable communities.

- 12) **Focus Highway and Bridge account funding on maintenance:** Studies show that money spent on repairs of existing infrastructure is disbursed more quickly and creates more jobs than money spent on new construction.
- 13) **Increase funding for active transportation/transportation enhancement projects** to create jobs quickly and create safe, complete streets with shovel-ready, labor-intensive bicycle and pedestrian projects that will benefit communities across the country.
- Increase share of funding for Transportation Enhancement program to 10%.
  - Provide funding for Active Transportation projects.

#### Water Infrastructure and Efficiency

- 14) **Fund the EPA WaterSense Program** to create jobs and foster water efficiency in local programs that offer rebates or vouchers for water-efficient products, services, fixtures and appliances.
- 15) **Temporarily suspend or reduce States' cost share requirement for water infrastructure projects** to allow for needed projects to be undertaken more expeditiously.
- 16) **Provide additional funding for Clean Water and Safe Drinking Water State Funds** to create jobs quickly repairing America's water infrastructure; an essential need.

#### Natural Resources

- 17) **Provide further funding for Department of Interior Agencies and Programs** that have significant capital needs for shovel-ready projects that would put Americans to work quickly.
- **Bureau of Land Management (BLM) Abandoned Mine Lands Program**
  - **Forest Service project funding**
  - **U.S. Fish and Wildlife Service (FWS)**

#### Worker Training

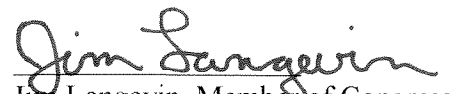



- 18) **Fund the Clean Energy Corps** (authorized in the *Edward M. Kennedy Serve America Act*) to train young Americans to install solar panels, restore trails and watersheds on public lands, weatherize low-income homes, conduct home energy audits, and provide technical assistance to help small businesses reduce their energy use.
- 19) **Establish a Community College Energy Training Program** to provide grants to community college training programs in the wind, solar, geothermal and biomass energy sectors, and also energy-efficient construction and retrofitting, recycling and waste reduction, water and energy conservation, and sustainable agriculture.
- 20) **Further fund Green Jobs Grants**, which has dedicated nearly 100% percent of the funding authorized to it in ARRA. Many of these training grants target traditionally underserved communities and will support strategic partnerships and other entities to prepare workers for careers in energy efficiency and renewable energy industries.

- 21) **Establish a Green Development Institute** to serve as a national clearinghouse for low-carbon economic and workforce development efforts nationally by providing technical assistance, conducting research and outreach, and disseminating best practices information to local governments, nonprofits, and academic institutions.

We thank you for your continued leadership, and we look forward to working with you to lay the groundwork for a meaningful economic recovery and a stronger America in the days to come.

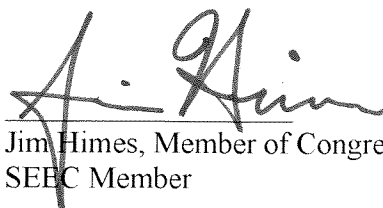
Sincerely,

The Members of the Sustainable Energy and Environment Coalition

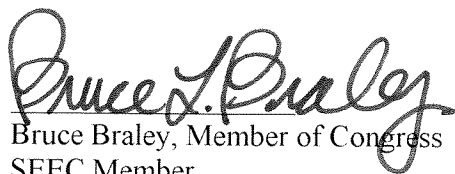
  
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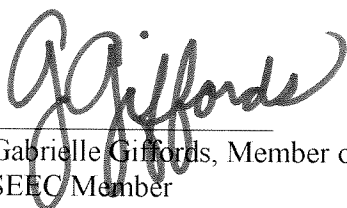
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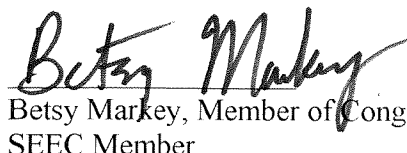
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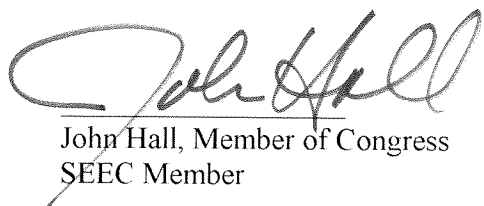
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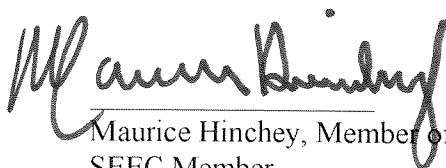
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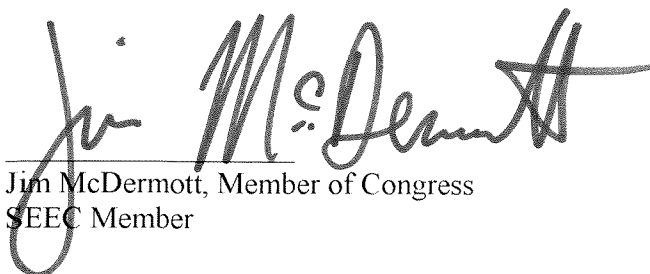
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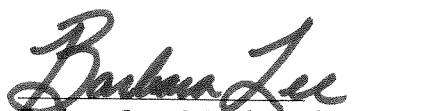
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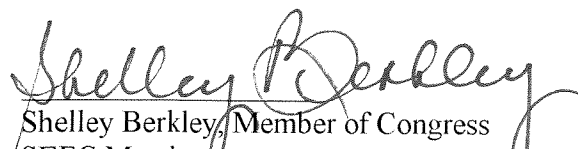
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Barbara Lee, Member of Congress  
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Shelley Berkley, Member of Congress  
SEEC Member



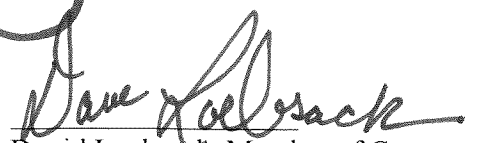
Dina Titus, Member of Congress  
SEEC Member



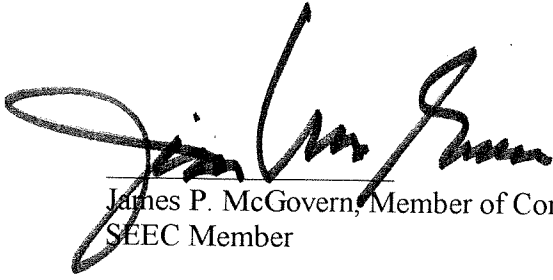
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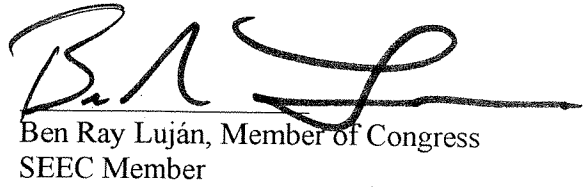
Rush Holt, Member of Congress  
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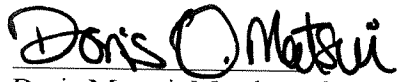
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SEEC Member



James P. McGovern, Member of Congress  
SEEC Member



Ben Ray Luján, Member of Congress  
SEEC Member



Doris Matsui, Member of Congress  
SEEC Member



Tom Perriello, Member of Congress  
SEEC Member

CC: The Honorable George Miller, Chairman, House Education and Labor Committee  
CC: The Honorable John Larson, Chairman, House Democratic Caucus

## Background information for SEEC job creation proposals

### Energy Efficiency

- 1) **Create a national energy efficiency home retrofit program** that will quickly create jobs retrofitting millions of homes and saving homeowners money on their energy costs.
  - Consistent with the proposal mentioned by President Obama during his Dec 8<sup>th</sup>, 2009 speech on domestic job creation. Combines 'prescriptive' first track with comprehensive 'performance' track. This program can be deployed with existing infrastructure to achieve immediate short-term job creation. Could create hundreds of thousands of jobs saving energy costs and reducing carbon pollution throughout the country. Such a program (as consistent with H.R. 1778, the *Retrofit for Energy and Environmental Performance Act* included in both House and Senate climate bills) has received widespread support from industry, including the National Home Builders and National Realtors, environmental groups, and labor.
- 2) **Incentivize and facilitate retrofits for federally-assisted housing** to create retrofitting jobs, reduce energy waste, and save taxpayer dollars on energy and water costs.
  - Establish a "green dividend" program to better incentivize retrofits.
    - Would allow federally assisted housing owners share in the upside of decreased energy/water costs of their property using personal funds or loans funded from residual receipts. Could create as many as 80,000 on site jobs and would not cost federal dollars. (Consistent with H.R. 4099.)
  - Refashion and extend the existing H.U.D. Weatherization Program.
    - Would make grants and loans available to owners of eligible federally assisted housing projects with agreement to maintain affordability and access to their property. Could create 27 jobs per \$1 million of investment. (Consistent with H.R. 4106.)

Both program options enjoy broad support from industry, environmental, and other groups.
- 3) **Property-assessed clean energy bonds:** Amend the DOE's Indirect Loan Guarantee Program so that these guarantees can be used to back municipalities or other entities that provide financing for residential and commercial energy efficiency and clean energy improvements.
  - Would provide greater, more efficient access to property owners who wish to undertake efficiency or clean energy retrofits. Property owners could borrow money from a municipal agency to finance up to 100% of the upfront cost of projects and repay the loan over up to 20 years through an annual assessment on their property tax bill. The backing of the federal government will make this financing more attractive to consumers and spur more investment in this sector. There is an estimated \$500 billion market for PACE programs, and the proposal enjoys broad support from industry, environmental groups, local governments and others. (Consistent with H.R. 3836, and language passed as part of the *American Clean Energy and Security Act of 2009*.)
- 4) **Expand and create tax incentives for non-residential energy efficiency improvements** to increase investments in building retrofits, create jobs, and lower energy bills across the country.



- **Expand the existing Efficient Commercial Building Tax Deduction.**
  - Allow expansion of deduction (from \$1.80 per square foot to \$3.00) for expenses incurred for energy efficient building retrofits made past 50% better than the ASHRAE 90.1-2001 energy code (in lighting, building envelope, and heating, ventilating and air-conditioning [HVAC] systems). Could create thousands of jobs in commercial retrofits, and is widely supported across industry and other groups. (Consistent with H.R. 4226).
- **Create a non-residential mechanical insulation installation tax incentive.**
  - Would allow increased or accelerated depreciation deduction (up to 30%) for incremental insulation cost- in construction, retrofits, or maintenance- above minimum requirements. Could create up to 89,000 jobs; with additional technical-engineering, manufacturing, sales, administrative and supporting craft jobs also created. Provides stimulus to domestic insulation manufacturing industry, and increased competitiveness for American businesses.

### Renewable Energy

- 5) **Reinstate \$2 billion taken from the Dept. of Energy Innovative Energy Loan Guarantee Program** and speed the awarding of these loan guarantees to qualified applicants.
  - Renewable energy is one of the most promising and successful areas of the U.S. economy, even as it lacks the institutional support and capital needed to more broadly penetrate the domestic market. This program has the ability to free up needed capital to create new American jobs, improve our nation's competitiveness in the renewable energy industry, and help reduce our carbon emissions.
- 6) **Establish a Clean Energy Deployment Administration** to provide innovative American clean energy businesses with the capital and certainty that they need to jump-start a new and independent American clean energy economy and spur enormous job creation.
  - Establishment of this independent administration (consistent with a provision of H.R. 2212, and language passed by the House of Representatives as part of the *American Clean Energy and Security Act of 2009*) would provide clean energy technology companies with investment capital and market certainty in order to undertake further projects and create American clean energy careers. Is supported by the National Venture Capital Association, and others.
- 7) **Continuing successful Dept. of Energy ARRA programs** for domestic clean energy innovation and manufacturing will provide a greater number of highly qualified applicants with access to needed funding.
  - **Expand/extend Section 48(C) ITC the 'Advanced Energy Manufacturing Tax Credit'** - Established in ARRA and capped at \$2.3 billion. This program received more than three times that amount in applications, and is in need of expansion to fill the demand and put people back to work in American manufacturing.
  - **ARPA-E** -By investing in the research and development of clean energy technologies we can ensure American dominance in this burgeoning global industry. Approximately twenty-two jobs are created per \$1 million of investment in research and development.
  - **Advanced Battery Manufacturing Grants** - This program allows financing for America to better compete in the next generation of transportation technology while creating manufacturing jobs. It should be reiterated that DOE should award grants

throughout the advanced battery supply chain, and that the awardees should be regionally and commercially variant.

- **Transport Electrification** - Further investment in electric vehicle infrastructure would create thousands of jobs and would be a decisive step toward energy independence.
- **Industrial efficiency/Combined Heat and Power** – This program provides funding for projects that will create jobs and make American businesses more efficient and competitive.

8) **Extend, expand, and create tax credits and incentives for renewable energy** to spur job creation and grow the domestic industry.

- **Two-year extension of Treasury grant investment tax credit program** (grants in lieu of tax credits).
  - These tax credits help to attract private capital to renewable energy projects even while current economic conditions have undermined investment. Their extension will incentivize new projects and put people to work.
- **Expansion of Section 48(a)(3) to include manufacturing of qualified solar property**
  - Would provide support of domestic manufacturing of this clean energy technology, and could create more than 10,000 jobs in 2010 (and twice that many as the facilities come online), and approximately 70,000 direct jobs by 2017. (Consistent with H.R. 4085)
- **Capital gains tax incentive for investment in domestic clean energy companies**
  - Incentivizing investment, similar to sec. 1241 of ARRA, in domestic clean energy companies (limited to solar, wind or geothermal) would fill the financing gap that loans would normally fill, and drive growth in the industry, creating jobs.
- **One year Extension of IRC Sec. 179, Accelerated Depreciation for clean energy capital improvements**
  - Extending bonus depreciation for another year will stimulate significant additional and much needed investment in clean energy projects in 2010. An additional year of bonus depreciation would increase both renewable energy deployment and job creation in the U.S. in 2010. And would result in 5,000-plus jobs in the solar industry, alone.

9) **Increase the limit of federal power purchase agreements to twenty five years** to allow for new energy technologies (and their accompanying domestic job-creation) to compete with dirty, outdated energy sources, and save taxpayer money with more cost-effective federal energy investments.

- The “PPA” model is currently used with great success in the private sector and on a pilot-project basis. Providing the entire federal government with 25-year PPA authority will create jobs, increase the production and deployment of American clean energy, and save the federal government money. (As consistent with H.R. 4257, and language passed as part of the *American Clean Energy and Security Act of 2009* [which extend the limit to thirty and twenty years, respectively].)

Transportation Infrastructure

10) **Allow authorization for the use of a larger portion of transportation funds for operating costs:** Transit systems across the country have been forced to cut services (and jobs) due to revenue shortages, at the same time ridership numbers are at record highs.

- Would allow local transit systems to put people back to work operating and maintaining public transit systems. According to a recent study by the Economic Development Research Group (EDRG) approximately 41,000 jobs are created per \$1 billion in transit operations spending. (Consistent with language included in the *Surface Transportation Authorization Act*.) Is supported by Transportation for America, the Amalgamated Transit Union, American Public Transit Association, and others.

**11) Increase funding for public transit, and multi-modal TIGER and TIGGER programs** to quickly create jobs and efficiently fund projects that support economic development, reduce energy consumption, and build livable communities.

- According to the aforementioned ECDRG study, for every \$1 billion invested in public transportation capital and operations, an average of 36,000 jobs are supported resulting in roughly \$3.6 billion of business sales and generate nearly \$500 million in federal, state and local tax revenues. The transit capital improvement funding included in ARRA was in high demand and more is needed. Also, the multi-modal discretionary TIGER (Transportation Investments Generating Economic Recovery) and TIGGER (Transit Investments for Greenhouse Gas and Energy Reduction Grants) ARRA funds were vastly oversubscribed and if more funding were available the FTA could award more high-quality applicants quickly, allowing for more projects to be undertaken and creating more jobs.

**12) Focus Highway and Bridge account funding on maintenance:** Studies show that money spent on repairs of existing infrastructure is disbursed more quickly and creates more jobs than money spent on new construction.

- According to Administration reports on ARRA spending, states that spent 100% of their ARRA Highway and Bridge funding on maintenance spent or obligated an average of 7.53% more than for those states that spent less than 50% of this funding on maintenance (by Sept. 30<sup>th</sup>, 2009). In addition, according to the University of Utah's Metropolitan Research Center, highway and bridge maintenance generates 16% more jobs than new construction.

**13) Increase funding for active transportation/transportation enhancement projects** to create jobs quickly and create safe, complete streets with shovel-ready, labor-intensive bicycle and pedestrian projects that will benefit communities across the country.

- Increase share of funding for Transportation Enhancement program to 10%.
  - Under ARRA, funding for these projects was spent more quickly and generated more jobs than traditional highway spending. If 10% of a transportation infrastructure spending is dedicated to Transportation Enhancements, and the spending rate reflected that of ARRA, this investment could generate a hundreds of thousands of jobs in less than a year.
- Provide funding for Active Transportation Projects.
  - According to one study, active transportation infrastructure project investments generate 65 jobs per \$1 million spent, twice as many jobs as highway spending. (Consistent with the *Active Transportation Fund Act*.)

- 14) **Fund the EPA WaterSense Program** to create jobs and foster water efficiency in local programs that offer rebates or vouchers for water-efficient products, services, fixtures and appliances.
- Would create 1,800 direct jobs annually and many more indirect jobs as it fosters water efficiency and expands public knowledge and access to information, products and services that will help preserve water resources and reduce consumer water use costs. Funding for this program was included in the American Clean Energy and Security Act and is supported by the Alliance for Water Efficiency, NRDC, United Association of Plumbers and Pipefitters, and many others. (Consistent with H.R. 2368.)
- 15) **Temporarily suspend or reduce States' cost share requirement for water infrastructure projects** to allow for needed projects to be undertaken more expeditiously.
- Many States have indicated that they are impeded from embarking upon needed water infrastructure project expenditures- that would create jobs immediately- by this cost share requirement.
- 16) **Provide additional funding for Clean Water and Safe Drinking Water State Funds** to create jobs quickly repairing America's water infrastructure; an essential need.
- States will have contracted out 100% of these funds by February, 2010. There is still a significant funding need for clean water and drinking water infrastructure projects. A recent report from NUCA estimated that \$1 billion of investment in water and wastewater infrastructure creates up to 27,000 new jobs and generates approximately \$82.4 million in state and local revenue.

#### Natural Resources

- 17) **Provide further funding for Department of Interior Agencies and Programs** that have significant capital needs for shovel-ready projects that would put Americans to work quickly.
- **Bureau of Land Management (BLM) Abandoned Mine Lands Program**
    - BLM received \$305 million from ARRA for construction and deferred maintenance projects; abandoned mine land restoration; and road, bridge and habitat restoration. BLM still has substantial job creation capacity: more than 10,000 mines have been identified for the Abandoned Mine Lands Program, ARRA funded remediation for only 84 of these.
  - **Forest Service project funding**
    - More than \$8 billion is still needed to address road backlog and decommissioning, restoration of fish and wildlife habitat and fish passage on culvert construction.
  - **U.S. Fish and Wildlife Service (FWS)**
    - FWS has more than \$2 billion in backlog costs of restoration projects such as consensus dam removals, fish habitat restoration, wildlife restoration, and fish passage construction. FWS is ready to go with jobs to combat invasive species, restore native habitats, and upgrade water management.

#### Worker Training

- 18) **Fund the Clean Energy Corps** (authorized in the *Edward M. Kennedy Serve America Act*) to train young Americans to install solar panels, restore trails and watersheds on public lands, weatherize low-income homes, conduct home energy audits, and provide technical assistance to help small businesses reduce their energy use.
- Would provide employment for approximately 100,000 youths up to age 25, offering modest living stipends of \$11,000 to \$22,000 a year and education grants of up to \$5,350 at the end of a year of service. (Consistent with H.R. 1394, authorized in the *Edward M. Kennedy Serve America Act of 2009*.)
- 19) **Establish a Community College Energy Training Program** to provide grants to community college training programs in the wind, solar, geothermal and biomass energy sectors, and also energy-efficient construction and retrofitting, recycling and waste reduction, water and energy conservation, and sustainable agriculture.
- Would train American workers for the jobs of the 21<sup>st</sup> century, and provide the supply needed by increasing demand. 50% of funding will be used to create community college programs that focus on the inherent renewable resource industries in a given region; the other 50% will go to boost and upgrade existing programs throughout the country that are already providing this type of job-training and education. The program (as H.R. 3731) is supported by the American Association of Community Colleges.
- 20) **Further fund Green Jobs Grants**, which has dedicated nearly 100% percent of the funding authorized to it in ARRA. Many of these training grants target traditionally underserved communities and will support strategic partnerships and other entities to prepare workers for careers in energy efficiency and renewable energy industries.
- Grant programs will fund national training partnerships, focusing on displaced energy sector employees, unemployed Americans, veterans, and at-risk youth. The Department of Labor's five separate grant competitions have already been closed. The Department of Labor received an excess demand in grant applicants for these programs and will be forced to deny high-quality applicants as a result of limited funding.
- 21) **Establish a Green Development Institute** to serve as a national clearinghouse for low-carbon economic and workforce development efforts nationally by providing technical assistance, conducting research and outreach, and disseminating best practices information to local governments, nonprofits, and academic institutions.
- The Green Development Institute will serve as a national clearinghouse for low-carbon economic and workforce development information. The Secretary shall select one unit of local government or nonprofit organization with demonstrated experience in green workforce development, particularly those targeting low-income and underserved populations, to establish and operate the Institute. (Modeled after the Metro Area Green Institute [MAGI] in H.R. 330.)